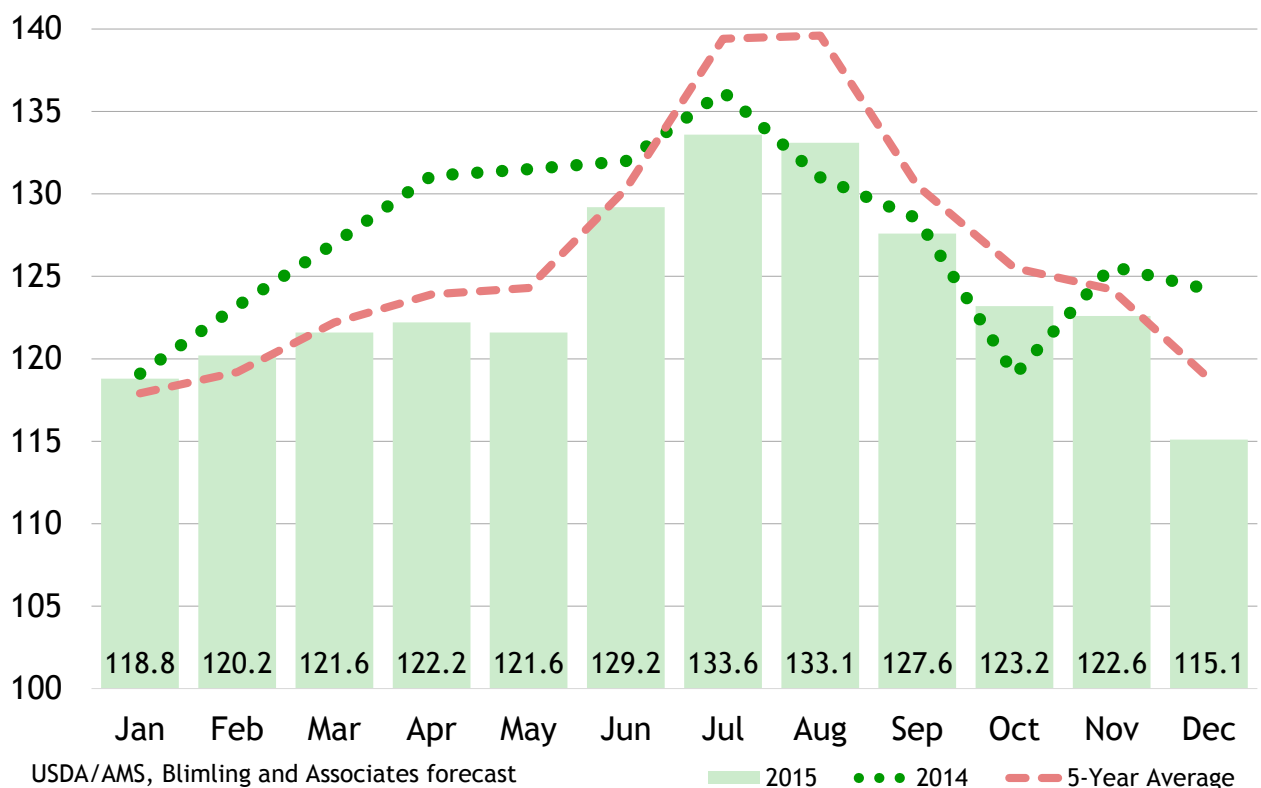


Cream Intelligence

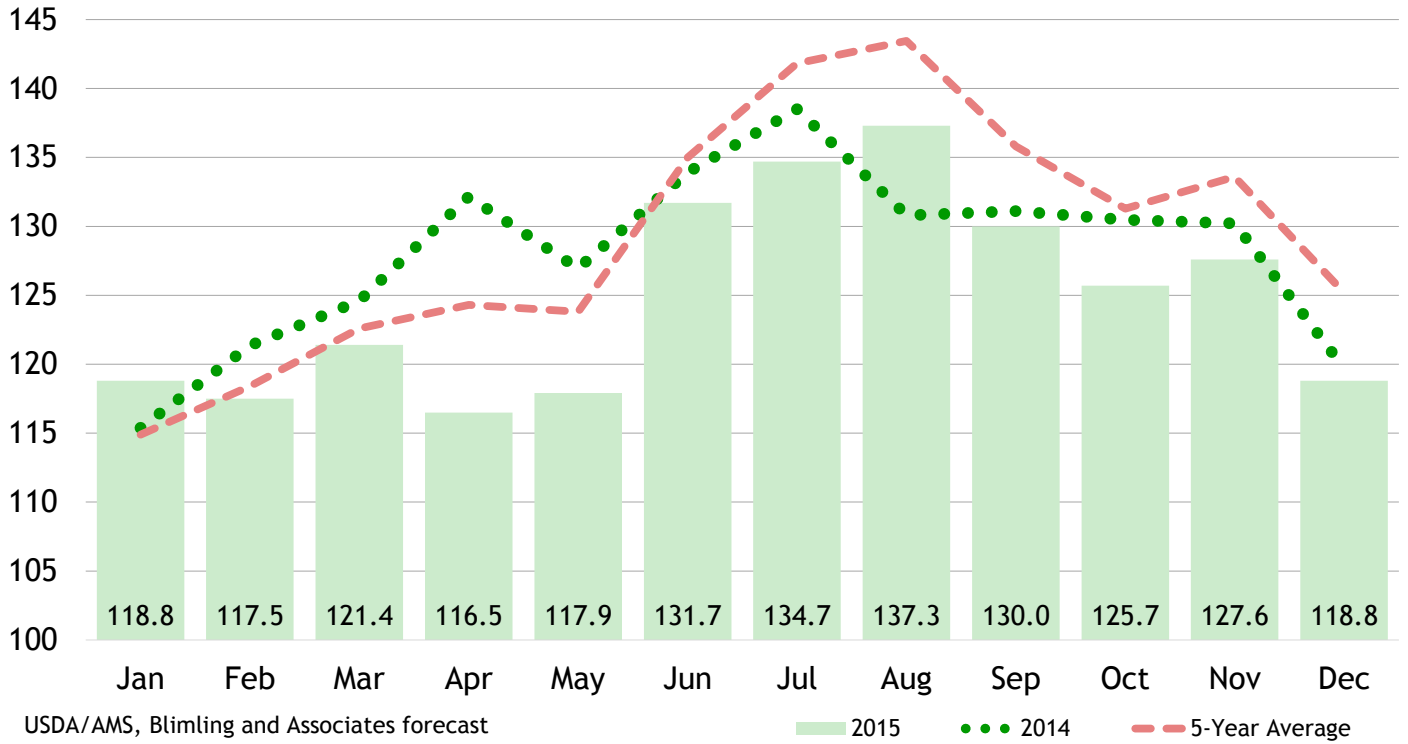
With cream in ample supply, multiples in the Northeast and Midwest have consistently trailed year-prior and five-year average levels, often by wide margins. Dairy producers remain profitable, making a second half milk production slowdown unlikely. Meanwhile, demand has simply not kept pace. Despite strong retail sales, butter inventories are growing. Uncompetitive US butter pricing is curbing exports and encouraging imports. The bottom line: marketers appear to have plenty of butter heading into summer. Active futures

and over-the-counter trade suggests that end-users have covered a large percentage of second half needs. But they did so at comparatively high prices, potentially limiting promotional activity for higher butterfat products. Cream multiples have increased seasonally as ice cream demand reaches its peak — particularly in the soft-serve arena. As that interest fades, multiples should moderate and continue to run modestly below 2014 levels on into the holiday season. Given milk production and inventory strength as well as export weakness, our forecast for second half multiples has been reduced.

Cream: USDA/AMS Implied Upper Midwest Class II Multiple



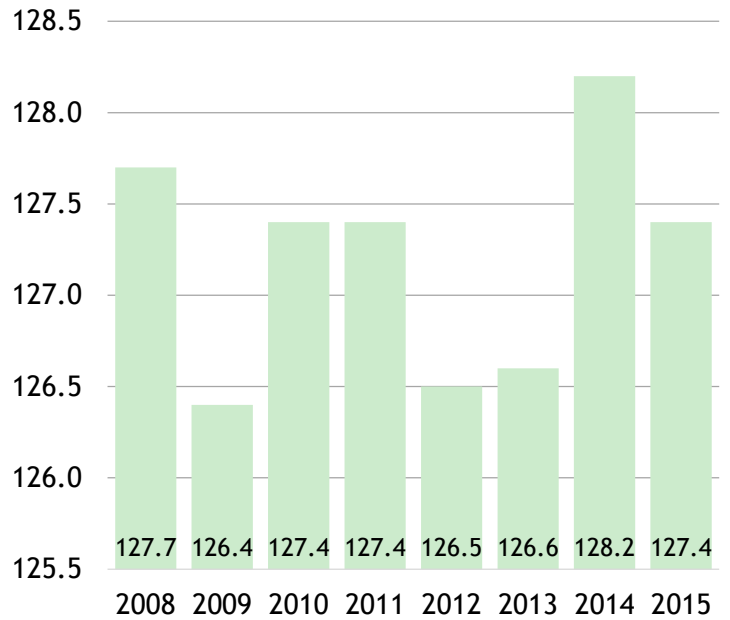
Cream: USDA/AMS Implied Northeast Class II Multiple



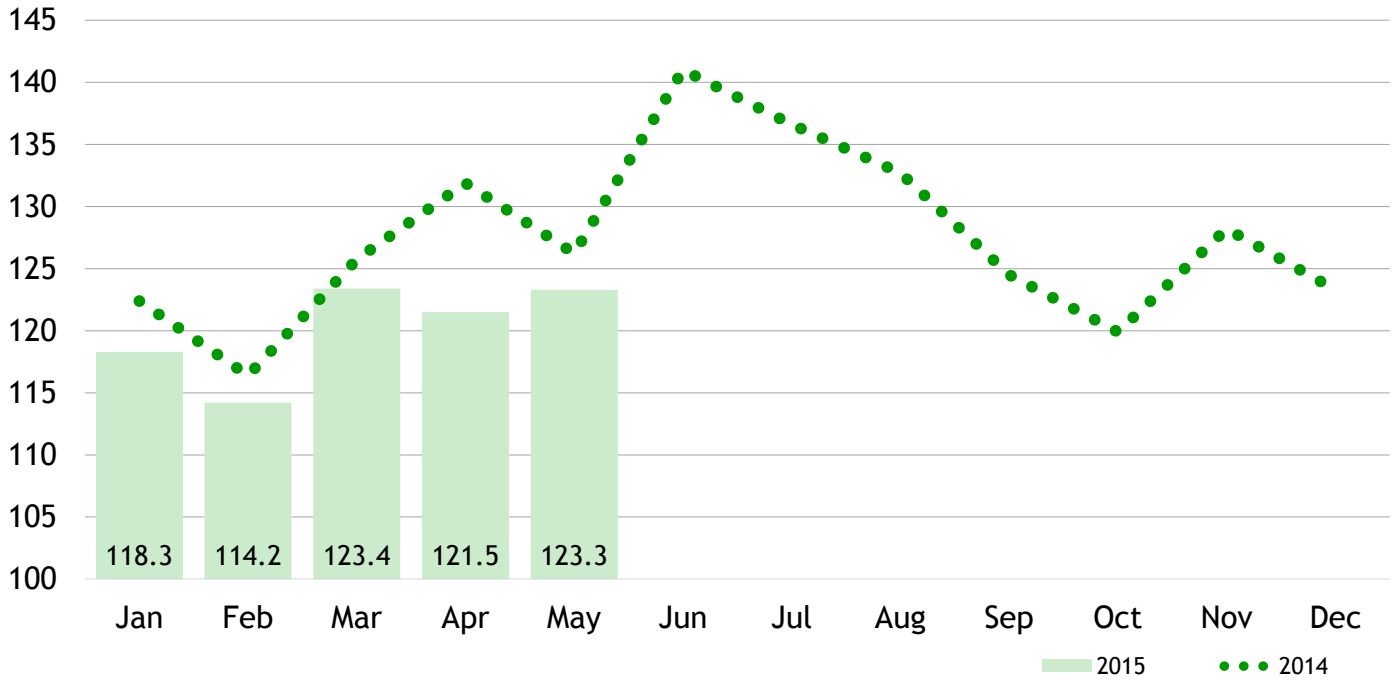
Dairy.com Average Contract Multiple FOB Seller

	States					DDC Average
	WI	NY	SC	TX	ID	
2004	130.0	130.7	122.3	126.6	124.9	129.3
2005	129.2	131.6	124.3	126.3	126.4	128.7
2006	129.2	132.1	126.1	124.7	127.7	127.7
2007	129.2	135.2	126.6	126.1	114.0	128.0
2008	129.3	133.8	127.2	127.9	115.1	127.7
2009	129.7	132.5	126.4	122.3	114.5	126.4
2010	129.8	134.0	128.8	124.3	118.0	127.4
2011	130.2	132.6	129.2	123.1	118.6	127.4
2012	129.2	132.3	128.9	124.4	115.7	126.5
2013	127.5	131.5	129.3	124.6	119.0	126.6
2014	129.4	132.4	127.4	125.6	124.3	128.2
2015	126.9	131.9	128.9	125.4	117.5	127.4

Dairy.com Avg Contract Multiple FOB Seller



Dairy.com Average Spot South Central Multiple By Month FOB Seller



Dairy.com South Central Spot Market Multiple Statistics

	Class Utilization						Destination Market							
	2014			2015			2014				2015			
	Class II	Class III	Class IV	Class II	Class III	Class IV	N. Central	Northeast	S. Central	Southeast	N. Central	Northeast	S. Central	Southeast
Jan	67%	0%	33%	35%	0%	65%	0%	0%	100%	0%	9%	0%	91%	0%
Feb	44%	0%	56%	47%	0%	53%	48%	0%	52%	0%	0%	0%	100%	0%
Mar	100%	0%	0%	40%	0%	60%	0%	0%	100%	0%	40%	0%	60%	0%
Apr	86%	14%	0%	50%	0%	50%	0%	0%	100%	0%	38%	0%	63%	0%
May	63%	0%	38%	60%	0%	40%	25%	0%	75%	0%	20%	0%	80%	0%
Jun	50%	0%	50%				50%	0%	0%	50%				
Jul	0%	100%	0%				0%	0%	100%	0%				
Aug	86%	0%	14%				0%	0%	100%	0%				
Sep	57%	0%	43%				14%	0%	86%	0%				
Oct	64%	0%	36%				0%	0%	100%	0%				
Nov	80%	0%	20%				20%	0%	80%	0%				
Dec	21%	0%	79%				21%	7%	71%	0%				
Avg	60%	10%	31%	46%	0%	54%	15%	1%	80%	4%	21%	0%	79%	0%

Dairy.com National Spot Market Multiple Statistics

	Class Utilization						Seller Origin							
	2014			2015			2014*				2015			
	Class II	Class III	Class IV	Class II	Class III	Class IV	N. Central	Northeast	S. Central	Southeast	N. Central	Northeast	S. Central	Southeast
Jan	32%	1%	67%	39%	10%	51%	4%	62%	34%	0%	14%	57%	24%	6%
Feb	26%	4%	71%	27%	17%	56%	9%	55%	36%	0%	23%	54%	23%	1%
Mar	46%	46%	8%	44%	25%	31%	3%	59%	30%	8%	22%	39%	21%	18%
Apr	51%	38%	11%	50%	34%	16%	2%	64%	24%	7%	27%	37%	14%	21%
May	61%	20%	20%	66%	24%	11%	21%	36%	20%	3%	17%	51%	12%	19%
Jun	46%	51%	3%				38%	48%	5%	0%				
Jul	78%	17%	6%				52%	32%	1%	0%				
Aug	59%	36%	5%				12%	46%	12%	14%				
Sep	61%	27%	11%				7%	41%	20%	0%				
Oct	77%	2%	20%				2%	14%	55%	18%				
Nov	83%	6%	11%				0%	39%	44%	17%				
Dec	62%	0%	38%				4%	27%	68%	2%				
Avg	57%	21%	23%	45%	22%	33%	13%	43%	29%	6%	21%	47%	19%	13%

* Between April and October 2014, an average 15% of cream originated from the West, ranging from 4% in April to 21% in May.

Dairy.com Average Spot US Multiple By Month FOB Seller

